EUROPE

GERMANY
FRANCE
UNITED KINGDOM
NETHERLANDS
ITALY
SCANDINAVIA
SWITZERLAND
SPAIN
BELGIUM
AUSTRIA

Germany

ECONOMY. The German economy has struggled through much of the past several years with growth rates below many other European countries. During 2001, growth was minimal leading to declining consumer confidence and increasing employment uncertainty. However, despite lackluster growth and increasing uncertainty, the unemployment rate declined for the fifth consecutive year and inflation remains low. Continued market reforms should help stabilize the German economy and accelerate growth in future years. Growth in 2002 is expected to remain flat before rebounding considerably in 2003. Significant tax reforms scheduled to take effect in 2002 should bolster personal incomes and improve consumer expectations for the coming year.

EXCHANGE RATE. Transition to the Euro has been hard on consumer confidence and inflation. Uncertainty in the domestic currency change has prompted inflationary pressures on domestic prices in nearly every sector of the economy, including travel. After struggling since its adoption a few years ago, the Euro has risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. Despite the language differences between Germany and the U.S., many German consumers are experienced international travelers and are comfortable in foreign environments. In addition, the FIT market in Germany remains strong, suggesting that language barriers are not as significant to German consumers as elsewhere.

TECHNOLOGY APTITUDE. Mobile phone use and the Internet have taken longer to assimilate into the German market compared to other advanced economies. One reason for this may be the high cost of phone use that has limited access. However, computer use is high and the country boasts a developed IT sector, which should provide infrastructure for quick future adaptation as prices moderate.

SEASONS & SEGMENTS. The German market is more likely to participate in warm weather activities. The main activity segments of German travelers visiting the United States are sightseeing (arts and culture – the "American Way of Life" enjoys almost cult status among many Germans), theme parks, shopping, beach vacations, nature appreciation (national parks), history and scenery, and soft adventures (rafting, mountain biking, Native American culture, casino visits).

HISTORIC VISITATION. U.S. arrivals from Germany have grown steadily throughout the last decade with few exceptions. Germany is Utah's top overseas market and remains a top market for the U.S. as a whole. However, while the U.S. remains the preferred destination among German long haul travelers, it has consistently lost market share in recent years to North Africa, Southeast Asia, Latin America and the Caribbean. Utah remains one of the top destinations visited by German travelers to the U.S. However, estimates indicate a significant decline in the number of German travelers to Utah beginning in 1997 and a further decline in German travel to Utah in 2000 and 2001.

SOCIAL & POLITICAL FACTORS. German travelers have shown sensitivity to safety concerns. According to a recent report, 45% of surveyed travelers noted crime as the biggest complaint from German tourists returning from the U.S. A dramatic downturn in German visitation followed a well-publicized attack in Florida in the mid 1990s. However, the decline was temporary, and the numbers have since outpaced previous levels. On the other hand, German visitors to New York seem unperturbed by risks of crime or violence, as they apparently associate crime or violence with big cities.

OLYMPIC INTEREST. Germany is the powerhouse of the Winter Olympics, having accumulated 300 Winter Olympic medals since 1924 (including 35 in Salt Lake). Despite German interest and participation in winter sports, the U.S. has not been a winter sports destination for most German travelers. Nonetheless, Germany is the third largest source of international skiers to Utah, behind only Canada and the U.K. The success of Olympic athletes in Utah as well as the hosting of future world-class competitions should bolster interest in the state. The Olympic television audience in Germany was estimated at over 70 million people who each watched nearly 11 hours of Olympic coverage. The key to the German travel market will likely be how well the state is able to leverage the increased awareness of Salt Lake City as an Olympic city into a gateway for warm weather activities.

DISTRIBUTION INFRASTRUCTURE. Less than 50% of German trips are booked through a traditional travel agency or tour operator. However, many people still rely on travel agencies and tour operators to gather information, suggesting that relationships with the existing distribution infrastructure are still important. Germany's tour operators continue to consolidate, typically becoming larger and more integrated. The top German tour operators to North America are FTI, DERTOUR, LTU Touristik, TUI, and ADAC. Salt Lake City offers no direct nonstop air service to Germany. However, Condor, Lufthansa's charter affiliate, has previously offered weekly flights to Las Vegas from Frankfurt and officials anticipate reinstatement of regular service in Summer 2002.

UTAH VISITORS FROM GERMANY SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	40.4
18-34 Years	39%
35-54 Years	44%
55+ Years	17%

GENDER	
Men	69%
Women	31%

HOUSEHOLD INCOME ($US)	
Average HH Income	$69,800
< $40,000	29%
$40,000 - $80,000	37%
$80,000 - $120,000	21%
$120,000+	13%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.6
Family/Relatives	40%
Spouse	32%
Friends	20%
Traveling Alone	20%
Tour Group	3%
Business Associates	1%
Adults Only	88%
Adults and Children	12%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	63%
U.S. Trips last 12 Months	1.4
U.S. Trips last 5 Years	3.2
1 Trip	46%
2 - 5 Trips	39%
5+ Trips	15%

OTHER DESTINATIONS VISITED	
# of States Visited	4.1
# of Destinations Visited	6.0
California	82%
San Francisco	52%
Los Angeles	44%
San Diego	17%
Yosemite N.P.	17%
Nevada	72%
Las Vegas	64%
Arizona	71%
Grand Canyon N.P.	38%
Phoenix	9%
Colorado	14%
Wyoming	13%
Yellowstone N.P.	10%
New York	9%
New York City	8%
New Mexico	7%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	153 Days
Advance Air Reservations	103 Days
Use of Pre-Booked Lodging	68%

USE OF PACKAGES	
YES	28%
Air/Lodging	18%
Guided Tour	13%
Air/Rental Car	12%
Air/Lodging/Tour	10%
Air/Lodging/Bus	9%
Air/Lodging/Bus/Tour	8%
Air/Lodging/Rental Car	7%
Advance Package Booking	121 Days
# of Nights Pre-paid as Part of a Package	14.0

INFORMATION SOURCES	
State/City Travel Office	48%
Travel Guides	47%
Travel Agency	46%
Friends/Relatives	30%
Personal Computer	14%
Tour Company	13%
Newspapers/Magazines	10%
Airlines Directly	5%
Other	11%

ACCOMMODATIONS	
Hotel/Motel	71%
Private Home	6%
Other	25%

TRANSPORTATION IN U.S.	
Rented Auto	70%
Airlines in U.S.	24%
City Subway/Tram/Bus	16%
Taxi/Cab/Limousine	16%
Company or Private Auto	16%
Motor Home/Camper	11%
Bus Between Cities	6%
Other	3%

LENGTH OF STAY	
# of Nights In UT (mean)	4.4
# of Nights in US (mean)	22.9

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	31%
Salt Lake City	21%
Zion N.P.	15%
Monument Valley	8%
Glen Canyon	4%

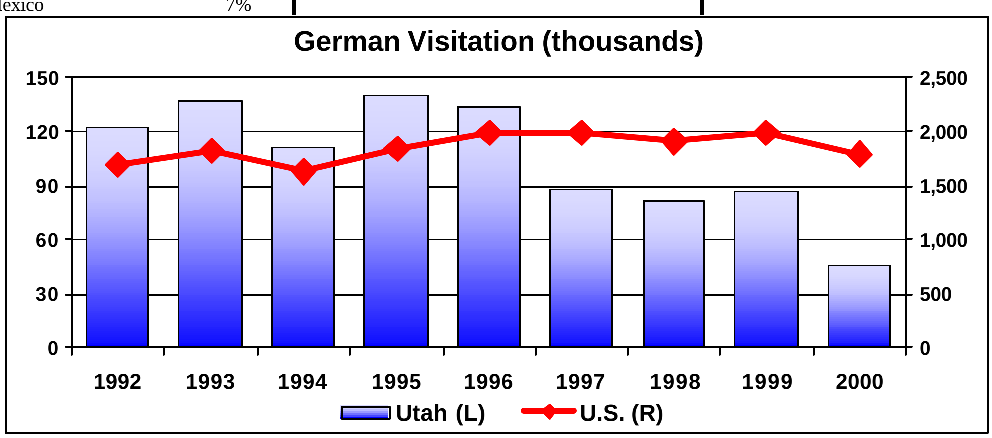
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	95%
Leisure/Rec./Holidays	91%
Visit Friends/Relatives	4%
Business & Convention	5%
Business/Professional	4%
Convention/Conference	1%
Study/Teaching	1%

PORT OF ENTRY	
Los Angeles	26%
San Francisco	16%
Chicago	9%
New York	8%

LEISURE ACTIVITIES	
Visit National Parks	94%
Shopping	86%
Dining in Restaurants	77%
Touring Countryside	67%
Visit Historic Places	67%
Cultural or Heritage Sites	55%
Amusement/Theme Parks	53%
Sightseeing in Cities	53%
Visit Small Towns	53%
Casinos/Gambling	51%
Camping/Hiking	35%
Visit Am. Indian Comm.	30%
Guided Tours	29%
Water Sports/Sunbathing	28%
Art Gallery/Museum	26%
Concert/Play/Musical	15%
Ethnic Heritage Sites	10%
Nightclubs/Dancing	7%
Attend Sports Event	7%
Environ./Eco Excursions	5%
Cruises	4%
Golfing/Tennis	3%
Snow Skiing	2%
Ranch Vacations	2%
Hunting/Fishing	1%

PERFORMANCE	
Total Int'l. Visitation (000s)	87
Market Share	4.4%
Avg. Spending Per-Visitor-Per-Day (mean)	$78



SOURCE: OTTI, U.S. Department of Commerce

France

ECONOMY. The French economy led the Euro zone for much of the last few years with growth rates above 3%. Even during the slowdown and recession in 2000 and 2001, contraction began in France later than most other advanced economies. Further, the downturn appears to have been less severe than elsewhere. In addition, growth in incomes has significantly outpaced inflation, meaning higher income for French consumers. However, although unemployment has fallen in recent years, labor market rigidity remains a problem and unemployment remains between 9.0% and 9.5%. As in Germany, growth rates will likely be sluggish through 2002 before rebounding in 2003.

EXCHANGE RATE. Transition to the Euro has been easier in France than elsewhere in the Euro zone. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. The French consumer is highly individualistic and because familiarity with English is limited, many French travelers prefer to book vacations via travel trade. Making information available to travel agencies in French is crucial to establish demand, since even those interested in FIT travel usually obtain information from trade organizations before booking on their own.

TECHNOLOGY APTITUDE. Internet use has not increased in France like in other developed countries, despite having relatively low access costs. Likewise, a smaller percentage of French households own computers and mobile phones than elsewhere in Europe. This makes traditional information distribution outlets more important in France than elsewhere.

SEASONS & SEGMENTS. Three types of holidays dominate French outbound travel: touring, sun & beach, and city holidays. A government mandated reduction in hours worked per week (from 39 to 35) has encouraged more short breaks. This has led to a corresponding decline in long-haul travel as more vacations are being made to closer destinations. Nonetheless, Utah's national parks remain the primary attraction for French tourists to the state.

HISTORIC VISITATION. France remains the third largest European market for travel to the U.S. and in 1998 surpassed one million arrivals. The U.S. is the preferred long-haul destination among French travelers, and although the number of arrivals is still growing, the U.S. has lost significant market share to emerging destinations in North Africa and Southeast Asia. There is conflicting information regarding French visitation to Utah. Official estimates indicate a decline in the number of French arrivals to the state over the past few years, consistent with the trend to shorter vacations. However, anecdotal evidence from many sources suggest that actual visitation has not declined and may have even increased in recent years, particularly among FIT travelers interested in outdoor recreation and soft adventure activities.

SOCIAL & POLITICAL FACTORS. The most significant factor altering travel patterns in France is the change in the structure of the work week. Although most French workers enjoy five weeks of paid vacation time, the reduction in the work week is encouraging quick getaways to close destinations, including other locations in France, Spain, and North Africa. In addition, the recent gains in income levels combined with the change in demographics have prompted a surge in second-home buying. The popularity of second homes has dampened demand for long-haul travel among some segments, especially the 50+ segment.

OLYMPIC INTEREST. Since the first Winter Olympic Games, interest in the Games has been high in France. French athletes did reasonably well in Salt Lake, earning a total of 11 medals. However, the real interest among French viewers was generated from two high profile controversies. The first was the bid scandal that involved skiing icon and IOC member Jean Claude-Killy and the second involved the French pairs figure skating judge. Both events captured the public interest and received large amounts of coverage in the country. French television estimates suggest over 37 million people watched just over seven hours of Olympic coverage during the Games.

DISTRIBUTION INFRASTRUCTURE. Nearly half of all French travelers to Utah in recent years have arrived as part of a packaged tour. However, FIT travel is rapidly increasing, particularly among the adventure enthusiasts who have discovered Utah's southern recreation destinations. Delta Airline's alliance with Air France provides convenient connecting-flight options for French travelers to Utah, although no direct flights are available to either Salt Lake City or Las Vegas.

UTAH VISITORS FROM FRANCE SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	44.0
18-34 Years	23%
35-54 Years	63%
55+ Years	14%

HOUSEHOLD INCOME ($US)	
Average HH Income	$68,000
< $40,000	28%
$40,000 - $80,000	42%
$80,000 - $120,000	18%
$120,000+	13%

PARTY COMPOSITION	
Avg. Travel Party (mean)	2.5
Spouse	49%
Family/Relatives	38%
Friends	17%
Tour Group	13%
Traveling Alone	11%
Business Associates	5%
Adults Only	84%
Adults and Children	16%

GENDER	
Men	68%
Women	32%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	59%
U.S. Trips last 12 Months	1.7
U.S. Trips last 5 Years	4.0
1 Trip	51%
2 - 5 Trips	34%
5+ Trips	15%

OTHER DESTINATIONS VISITED	
# of States Visited	3.9
# of Destinations Visited	5.7
California	80%
San Francisco	66%
Los Angeles	50%
Yosemite N.P.	19%
Nevada	74%
Las Vegas	70%
Arizona	72%
Grand Canyon N.P.	41%
Phoenix	19%
Tuscon	8%
New Mexico	11%
Albuquerque	8%
New York	10%
New York City	10%
Colorado	6%
Florida	6%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	131 Days
Advance Air Reservations	83 Days
Use of Pre-Booked Lodging	70%

USE OF PACKAGES	
YES	46%
Air/Lodging	33%
Guided Tour	28%
Air/Lodging/Tour	19%
Air/Lodging/Rental Car	17%
Air/Rental Car	16%
Air/Lodging/Bus	14%
Air/Lodging/Bus/Tour	14%
Advance Package Booking	91 Days
# of Nights Pre-paid as Part of a Package	13.6

INFORMATION SOURCES	
Travel Agency	75%
Airlines Directly	15%
Friends/Relatives	13%
Travel Guides	12%
Newspapers/Magazines	9%
Tour Company	8%
Personal Computer	4%
Corporate Travel Dept.	3%
Other	5%

ACCOMMODATIONS	
Hotel/Motel	89%
Private Home	3%
Other	9%

TRANSPORTATION IN U.S.	
Rented Auto	55%
Airlines in U.S.	41%
Taxi/Cab/Limousine	20%
Company or Private Auto	20%
City Subway/Tram/Bus	18%
Bus Between Cities	17%
Other	7%

LENGTH OF STAY	
# of Nights In UT (mean)	3.0
# of Nights in US (mean)	18.8

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	35%
Monument Valley	23%
Salt Lake City	12%
Zion N.P.	11%
Glen Canyon	11%

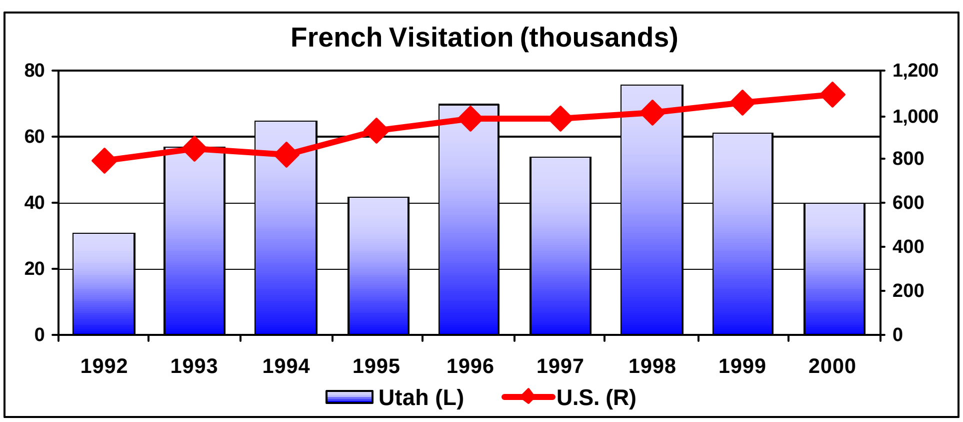
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	75%
Leisure/Rec./Holidays	71%
Visit Friends/Relatives	2%
Religious Pilgrimage	1%
Business & Convention	26%
Business/Professional	16%
Convention/Conference	9%
Study/Teaching	1%

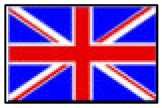
PORT OF ENTRY	
Los Angeles	19%
San Francisco	14%
New York	11%
Philadelphia	9%

LEISURE ACTIVITIES	
Visit National Parks	88%
Shopping	84%
Dining in Restaurants	75%
Casinos/Gambling	68%
Sightseeing in Cities	62%
Visit Small Towns	57%
Visit Historic Places	55%
Amusement/Theme Parks	46%
Guided Tours	34%
Visit Am. Indian Comm.	34%
Cultural or Heritage Sites	33%
Art Gallery/Museum	32%
Touring Countryside	29%
Environ./Eco Excursions	28%
Water Sports/Sunbathing	18%
Camping/Hiking	14%
Ethnic Heritage Sites	11%
Nightclubs/Dancing	9%
Concert/Play/Musical	3%
Attend Sports Event	2%
Ranch Vacations	2%
Cruises	2%
Snow Skiing	1%
Golfing/Tennis	1%
Hunting/Fishing	1%

PERFORMANCE	
Total Int'l. Visitation (000s)	61
Market Share	5.8%
Avg. Spending Per-Visitor-Per-Day (mean)	$71



SOURCE: OTTI, U.S. Department of Commerce



United Kingdom

ECONOMY. During the recent global economic downturn, the British economy has remained strong, posting growth rates greater than other developed economies. Indeed, although growth in the U.K. has tempered, it appears the economy will avoid recession entirely and should begin to accelerate with the rest of Europe as demand from the recovering U.S. economy increases. Inflation has been higher in the U.K. than elsewhere in Europe, although increases in personal income have remained above inflation, suggesting increased purchasing power. Unemployment has declined consistently throughout the last five years, bolstering consumer confidence and strengthening demand.

EXCHANGE RATE. The pound has suffered from its association with the Euro, declining nearly on par with the Euro since January 2000. However, recent gains in both currencies have pushed the exchange rate to approximately US$1.57 per pound. Because of the relative strength of the Pound, a U.S. holiday is still perceived as a bargain among most British consumers, and the effect of the current exchange rate outlook on travel demand should not deter travel demand. On the other hand, if the Pound strengthens versus the U.S. dollar, demand for U.S. vacations may improve.

LANGUAGE RESOURCES. No barriers to travel due to use of English language.

TECHNOLOGY APTITUDE. Adoption of the Internet in the UK trails only Scandinavia in its development. Access costs remain low compared to most other European countries. Other indicators of technological aptitude such as the number of mobile telephone subscribers and the number of computers per capita suggest significant progress in the U.K. relative to other European markets.

SEASONS & SEGMENTS. The U.S. is perceived as a year-round destination for U.K. travelers. While the summer months receive the most attention, a significant skier base also travels to the U.S. for winter holidays. As with other European markets, beach holidays, touring, and city holidays are attractive segments. There has been a recent demographic shift among U.K. travelers to the U.S., with increased attention on themed vacations and repeat visitors. Whereas first time visitors typically travel to Orlando or New York, the repeat visitor makes up the highest percentage of arrivals and is looking more towards themed breaks such as sports, heritage, culture and shopping. This reflects the wider vacation choice now available coupled with a willingness to try something new. The U.K. represents the second largest international ski market to Utah, trailing just Canada.

HISTORIC VISITATION. The U.K. became the largest overseas market for the U.S. during 2001 and many forecasters expect the U.K. to remain the top overseas market during the next several years. In contrast to other European markets that have lost market share to other destinations, the U.S. still dominates the U.K. long-haul market and has increased market share in recent years. Nonetheless, the U.S. faces increasing competition from Canada, Australia, and Latin America. Despite some fluctuations, the growth in the number of British arrivals to Utah generally follows the growth in the U.S.

SOCIAL & POLITICAL FACTORS. The U.K. market is likely to be the least affected by the September 11th terrorist incidents than any other overseas market. The relative familiarity with the U.S. combined with the relative frequency of terrorism incidents that have occurred within the U.K. increases the pace of demand recovery. The solidarity expressed between the U.S. and British governments in their response has also done much to temper adverse reactions among consumers.

OLYMPIC INTEREST. Due to the limited success of British athletes in the 2002 Olympic Winter Games, interest in the Games may have been less than elsewhere in Europe. However, evidence suggests that coverage of the Salt Lake Games was strong, although the number of hours people watched the Games was less than elsewhere in Europe. Britain's 38 million Olympic spectators watched on average nearly 4 hours of Olympic coverage. Because of the existing demand from the U.K. for winter recreation in the U.S., it is expected that the coverage of the Games should provide significant increases in awareness and interest among U.K. consumers, particularly among skiers.

DISTRIBUTION INFRASTRUCTURE. Packaged tours to the U.S. are relatively popular in the U.K. The top four U.K. operators are: Thomson, Airtours, Thomas Cook/Carlson and First Choice. Most consumers rely on tour operators and travel agencies to gather information and many also book packages through the operators. While no direct nonstop flights are available to Utah, Las Vegas has 2 direct nonstop flights from London and one from Manchester.

UTAH VISITORS FROM THE U.K. SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	45.0
18-34 Years	31%
35-54 Years	37%
55+ Years	32%

HOUSEHOLD INCOME ($US)	
Average HH Income	$72,500
< $40,000	23%
$40,000 - $80,000	48%
$80,000 - $120,000	16%
$120,000+	13%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.8
Spouse	48%
Traveling Alone	24%
Family/Relatives	19%
Friends	10%
Business Associates	8%
Adults Only	97%
Adults and Children	3%

GENDER	
Men	63%
Women	37%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	85%
U.S. Trips last 12 Months	1.6
U.S. Trips last 5 Years	4.5
1 Trip	20%
2 - 5 Trips	60%
5+ Trips	20%

OTHER DESTINATIONS VISITED	
# of States Visited	3.4
# of Destinations Visited	5.1
California	46%
Los Angeles	24%
San Francisco	24%
Yosemite N.P.	9%
Nevada	42%
Las Vegas	38%
Arizona	47%
Grand Canyon N.P.	30%
Phoenix	15%
Wyoming	15%
Yellowstone	11%
New York	10%
New York City	9%
Colorado	18%
Denver	15%
Illinois	13%
Chicago	12%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	127 Days
Advance Air Reservations	91Days
Use of Pre-Booked Lodging	61%

USE OF PACKAGES	
YES	30%
Air/Lodging	20%
Air/Rental Car	16%
Guided Tour	15%
Air/Lodging/Rental Car	11%
Air/Lodging/Tour	7%
Air/Lodging/Bus	4%
Air/Lodging/Bus/Tour	3%
Advance Package Booking	127 Days
# of Nights Pre-paid as Part of a Package	11.5

INFORMATION SOURCES	
Travel Agency	70%
Friends/Relatives	18%
Travel Guides	17%
Airlines Directly	14%
Tour Company	13%
Personal Computer	12%
Newspapers/Magazines	11%
State/City Travel Office	5%
Other	5%

ACCOMMODATIONS	
Hotel/Motel	78%
Private Home	11%
Other	15%

TRANSPORTATION IN U.S.	
Rented Auto	52%
Airlines in U.S.	38%
Taxi/Cab/Limousine	30%
Company or Private Auto	30%
Bus Between Cities	12%
City Subway/Tram/Bus	11%
Other	5%

LENGTH OF STAY	
# of Nights In UT (mean)	9.7
# of Nights in US (mean)	23.4

UTAH DESTINATIONS VISITED	
Salt Lake City	36%
Bryce Canyon N.P.	23%
Zion N.P.	21%
Monument Valley	11%
Glen Canyon	5%

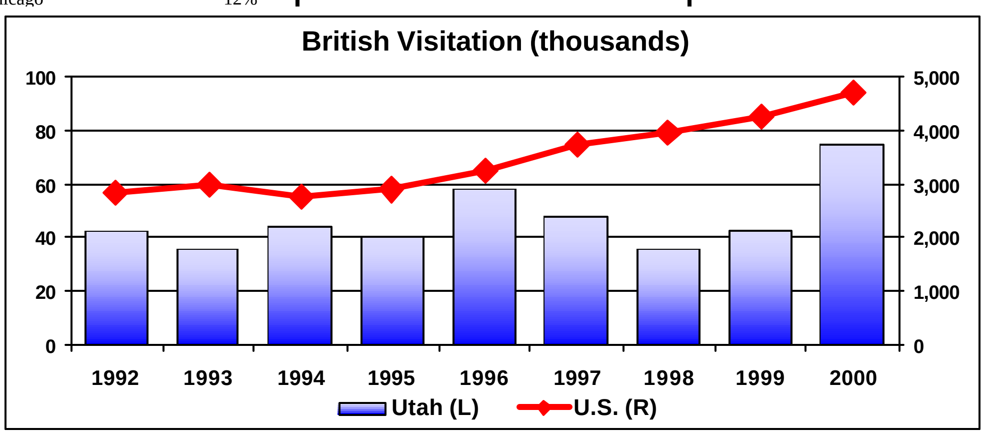
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	82%
Leisure/Rec./Holidays	66%
Visit Friends/Relatives	16%
Business & Convention	18%
Business/Professional	13%
Convention/Conference	5%

PORT OF ENTRY	
Los Angeles	19%
San Francisco	14%
Chicago	13%
Newark	7%

LEISURE ACTIVITIES	
Dining in Restaurants	96%
Shopping	84%
Touring Countryside	75%
Visit National Parks	74%
Sightseeing in Cities	57%
Visit Historic Places	55%
Visit Small Towns	52%
Cultural or Heritage Sites	45%
Visit Am. Indian Comm.	32%
Casinos/Gambling	29%
Amusement/Theme Parks	29%
Water Sports/Sunbathing	23%
Guided Tours	23%
Ethnic Heritage Sites	22%
Art Gallery/Museum	20%
Camping/Hiking	17%
Concert/Play/Musical	15%
Nightclubs/Dancing	14%
Attend Sports Event	13%
Snow Skiing	11%
Environ./Eco Excursions	8%
Ranch Vacations	5%
Golfing/Tennis	4%
Cruises	3%
Hunting/Fishing	3%

PERFORMANCE	
Total Int'l. Visitation (000s)	43
Market Share	1.0%
Avg. Spending Per-Visitor-Per-Day (mean)	$55



SOURCE: OTTI, U.S. Department of Commerce

Netherlands

ECONOMY. Growth in the Dutch economy was among the European leaders for much of the latter half of the 1990s. However, growth has leveled off in recent months, as the drag from Germany and France has dampened the Dutch economy. Nonetheless, as recovery accelerates in the Euro zone, growth will again return to the Netherlands. Unlike its larger neighbors, inflation has caused some concern, increasing more quickly than elsewhere in the Euro zone. However, income gains continue to outpace inflation and unemployment, already among the lowest in Europe, continues to fall.

EXCHANGE RATE. Transition to the Euro has been relatively uneventful. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. A large majority of Dutch travelers to the U.S. are repeat visitors from the upper income and education groups. English is widely spoken among these groups. In addition, most Dutch travelers also have some fluency with either French or German, so materials for these markets can also be used in the Netherlands.

TECHNOLOGY APTITUDE. After Scandinavia, consumers from the Netherlands are the leading users of the Internet in Europe, perhaps reflecting the comfort of many users with English. Household computer use is also among the highest in Europe and the Netherlands continues to adopt new technology quickly.

SEASONS & SEGMENTS. Dutch travelers are predominantly warm weather travelers, even during the winter months. The most common activities are sun & beach activities. However, a large number of Dutch travelers pursue mountain activities. There is also an undeveloped ski market in the Netherlands that is just beginning to attract the attention of many ski destinations. Among Dutch travelers to Utah, an overwhelming majority travel to the national parks. Other common activities include touring and sightseeing. A growing number of Dutch travelers pursue travel independently, renting a car or RV and exploring the U.S. on their own or as part of a small group of family or friends.

HISTORIC VISITATION. The Netherlands has been one of the fastest growing markets for travel to the U.S., growing in each year during the 1990s except for a small decline in 1994. The U.S. remains the preferred long-haul destination, although increasing pressure from competitive destinations such as South Africa, Canada, Southeast Asia, Latin America and the Caribbean offer travelers increasingly more choices. Growth in Dutch visitation to Utah increased during the early 1990s, but has leveled off since declining slightly in 1997.

SOCIAL & POLITICAL FACTORS. Demand for travel to the U.S. was significantly affected by the terrorist attacks on September 11th. Similar to other European markets, many Dutch travelers replaced short trips to the U.S. with regional trips within Europe.

OLYMPIC INTEREST. The Netherlands are passionate followers of several Winter Olympic sports, most notably speed skating. The 8 medals won by Olympic participants in Salt Lake City bring the total number of Winter Olympic medals for the Netherlands to 69. Metered reports from television stations in the Netherlands suggests coverage of the Games was extensive, attracting nearly 14 million viewers for eight and a half hours each. For many viewers, Olympic coverage provided their first look at Utah as a vacation destination, with extensive reporting on Salt Lake City as a growing American city offering many recreational activities.

DISTRIBUTION INFRASTRUCTURE. A very high percentage of Dutch travelers obtain information via travel agencies, although a smaller number actually purchase packages. Although Salt Lake City offers no direct flights from the Netherlands, access is relatively easy through many East Coast gateways and numerous carriers with service to Amsterdam.

UTAH VISITORS FROM THE NETHERLANDS SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	42.0
18-34 Years	38%
35-54 Years	45%
55+ Years	17%

HOUSEHOLD INCOME ($US)	
Average HH Income	$62,300
< $40,000	27%
$40,000 - $80,000	44%
$80,000 - $120,000	28%
$120,000+	2%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.9
Family/Relatives	44%
Spouse	33%
Friends	12%
Traveling Alone	11%
Business Associates	5%
Tour Group	2%
Adults Only	95%
Adults and Children	6%

GENDER	
Men	61%
Women	40%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	66%
U.S. Trips last 12 Months	1.3
U.S. Trips last 5 Years	3.0
1 Trip	39%
2 - 5 Trips	53%
5+ Trips	8%

OTHER DESTINATIONS VISITED	
# of States Visited	3.8
# of Destinations Visited	5.7
California	68%
San Francisco	32%
Los Angeles	32%
Yosemite N.P.	18%
Riverside/San Bernadino	12%
Death Valley N.P.	10%
Nevada	56%
Las Vegas	45%
Arizona	56%
Grand Canyon N.P.	29%
Colorado	24%
Denver	13%
Wyoming	12%
Yellowstone N.P.	9%
New York	11%
New York City	11%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	129 Days
Advance Air Reservations	85 Days
Use of Pre-Booked Lodging	71%

USE OF PACKAGES	
YES	32%
Air/Rental Car	20%
Air/Lodging	19%
Air/Lodging/Tour	10%
Guided Tour	7%
Air/Lodging/Rental Car	2%
Advance Package Booking	121 Days
# of Nights Pre-paid as Part of a Package	14.0

INFORMATION SOURCES	
Travel Agency	80%
Travel Guides	27%
Friends/Relatives	21%
Personal Computer	16%
Tour Company	7%
Newspapers/Magazines	6%
Airlines Directly	5%
State/City Travel Office	4%
Other	11%

ACCOMMODATIONS	
Hotel/Motel	72%
Private Home	12%
Other	21%

TRANSPORTATION IN U.S.	
Rented Auto	56%
Taxi/Cab/Limousine	36%
Airlines in U.S.	28%
City Subway/Tram/Bus	19%
Railroad Between Cities	18%
Company or Private Auto	15%
Bus Between Cities	11%
Motor Home/Camper	5%

LENGTH OF STAY	
# of Nights In UT (mean)	4.4
# of Nights in US (mean)	22.7

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	27%
Salt Lake City	22%
Zion N.P.	14%
Monument Valley	6%
Glen Canyon	4%

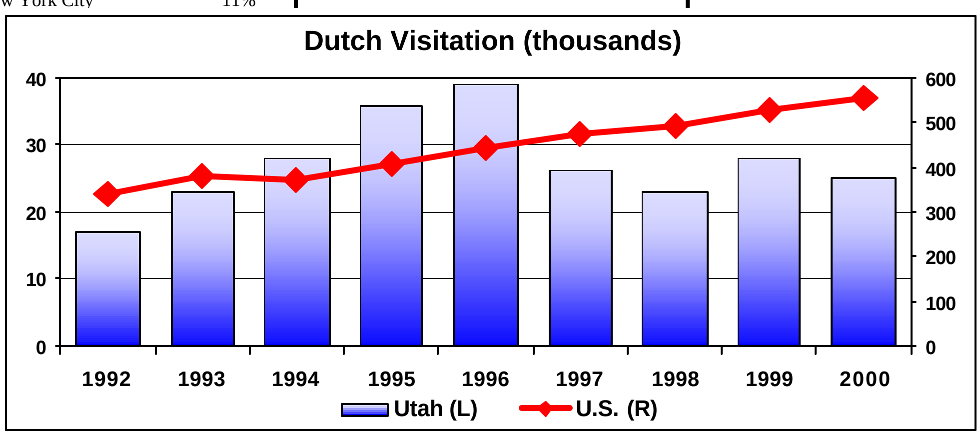
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	89%
Leisure/Rec./Holidays	79%
Visit Friends/Relatives	10%
Business & Convention	11%
Business/Professional	7%
Convention/Conference	3%
Study/Teaching	1%

PORT OF ENTRY	
Los Angeles	23%
Washington D.C.	15%
San Francisco	10%
Minneapolis/St. Paul	9%
New York	8%

LEISURE ACTIVITIES	
Visit National Parks	91%
Shopping	89%
Dining in Restaurants	88%
Touring Countryside	86%
Sightseeing in Cities	80%
Visit Historic Places	67%
Visit Small Towns	62%
Casinos/Gambling	48%
Amusement/Theme Parks	45%
Cultural or Heritage Sites	45%
Visit Am. Indian Comm.	43%
Art Gallery/Museum	35%
Camping/Hiking	33%
Guided Tours	25%
Water Sports/Sunbathing	25%
Concert/Play/Musical	20%
Golfing/Tennis	9%
Environ./Eco Excursions	8%
Nightclubs/Dancing	8%
Attend Sports Event	5%
Snow Skiing	5%
Ethnic Heritage Sites	5%
Cruises	2%
Ranch Vacations	1%
Hunting/Fishing	--

PERFORMANCE	
Total Int'l. Visitation (000s)	28
Market Share	5.4%
Avg. Spending Per-Visitor-Per-Day (mean)	$74



SOURCE: OTTI, U.S. Department of Commerce

Italy

ECONOMY. The Italian economy has struggled with low growth rates for the last five years. Nascent signs of growth were quickly overshadowed by the downturn in Germany and elsewhere in Europe that placed a drag on Italy's economy. Income growth has kept pace with inflation, and unemployment has decreased to levels on par with Germany and France. Short-term expectations for the Italian economy mirror expectations for the Euro area in general; slow growth in 2002 with increasing growth in 2003.

EXCHANGE RATE. Transition to the Euro has been relatively uneventful, although significant declines in the dollar/lira exchange rate in the early 1990s hurt the permanent exchange rate of the lira/Euro. Nonetheless, the use of the Euro in Italy represents an improvement from the more volatile lira. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. A large majority of Italian travelers to the U.S. are repeat visitors from the upper income and education groups. English is widely spoken among these groups. Most travel is independent and Italians pride themselves on being able to travel without restrictions within the U.S.

TECHNOLOGY APTITUDE. Internet use in Italy, like in France, lags other developed European economies. However, unlike France, mobile telephones are popular and may represent the future of Internet access and use.

SEASONS & SEGMENTS. The typical Italian traveler to the U.S. is sightseeing in cities and touring the countryside. Many enjoy traveling independently and often combine major gateway cities with other high profile attractions such as national parks, historic places and cultural & heritage destinations. An overwhelming majority of Italians visiting Utah are touring the national parks.

HISTORIC VISITATION. Due to the unfavorable exchange rate in the early 1990s, visitation declined steadily from 1992 to 1996. In 1997, the number of U.S. arrivals from Italy jumped and has since stabilized. Italian arrivals to Utah have increased significantly since the early 1990s, perhaps a reflection of the repeat visitor to the U.S. exploring beyond the traditional destinations.

SOCIAL & POLITICAL FACTORS. A current trend among Italian travelers is to replace the traditional 2-week summer vacation with 2 shorter breaks. A major airport hub in Milan has opened new routes and brought more convenient access to many Italian travelers. Demand for travel to the U.S. was affected by the terrorist attacks on September 11th, although general perceptions about the U.S. are of a safe and convenient destination. Consequently, demand is expected to return quickly.

OLYMPIC INTEREST. The Italians maintain a high level of interest in winter sports, especially sledding sports and alpine skiing. With 12 medals in Salt Lake City, Italy has earned 89 Winter Olympic medals since 1924. Italy boasted an Olympic television audience of 37 million, although each viewer only watched about 2 hours of coverage. Additional interest in the Salt Lake City Games may have resulted from Torino's successful bid as the next host of the Olympic Winter Games. Interest in winter sports is high in Italy among a niche group of consumers. However, attracting a share of the winter recreation market is unlikely. The impact of the Olympics on future visitation will likely be tied to the ability to exploit the increased awareness into attention on the state's warm-weather recreational opportunities.

DISTRIBUTION INFRASTRUCTURE. Italian tour operators are unable to compete with their larger French and German competitors. Consequently, many have either consolidated or moved to become niche providers. Many travelers prefer to gather information from suppliers and then either customize an existing itinerary or plan their own. The largest tour operators in Italy in 2000 were Alpitours, Costa Crociere, and I Viaggi del Ventaglio. Many operators are extending their niche market appeal through the Internet, attracting larger numbers of potential travelers. The most important franchising travel networks are: GiraMondo Viaggi Franchising and Buon Viaggio SpA. In addition, several Internet-only agencies have entered the market in recent years including Edreams, Travelonline, and Lastminutetravel.

UTAH VISITORS FROM ITALY SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	38.7
18-34 Years	45%
35-54 Years	48%
55+ Years	8%

HOUSEHOLD INCOME ($US)	
Average HH Income	$65,200
< $40,000	36%
$40,000 - $80,000	37%
$80,000 - $120,000	14%
$120,000+	12%

PARTY COMPOSITION	
Avg. Travel Party (mean)	2.5
Spouse	37%
Family/Relatives	36%
Friends	25%
Tour Group	11%
Traveling Alone	8%
Business Associates	3%
Adults Only	84%
Adults and Children	16%

GENDER	
Men	76%
Women	24%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	51%
U.S. Trips last 12 Months	1.3
U.S. Trips last 5 Years	2.8
1 Trip	56%
2 - 5 Trips	34%
5+ Trips	10%

OTHER DESTINATIONS VISITED	
# of States Visited	4.1
# of Destinations Visited	5.8
California	72%
San Francisco	56%
Los Angeles	50%
Yosemite N.P.	24%
Nevada	75%
Las Vegas	70%
Arizona	63%
Grand Canyon N.P.	49%
Phoenix	13%
New York	27%
New York City	27%
Wyoming	14%
Yellowstone N.P.	13%
Colorado	14%
Florida	11%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	89 Days
Advance Air Reservations	52 Days
Use of Pre-Booked Lodging	75%

USE OF PACKAGES	
YES	29%
Air/Lodging	20%
Air/Rental Car	16%
Guided Tour	13%
Air/Lodging/Rental Car	11%
Air/Lodging/Tour	9%
Air/Lodging/Bus	8%
Air/Lodging/Bus/Tour	8%
Advance Package Booking	57 Days
# of Nights Pre-paid as Part of a Package	15.2

INFORMATION SOURCES	
Travel Agency	81%
Friends/Relatives	23%
Travel Guides	20%
Newspapers/Magazines	14%
Personal Computer	14%
Airlines Directly	7%
Tour Company	4%
State/City Travel Office	4%
Other	7%

ACCOMMODATIONS	
Hotel/Motel	87%
Private Home	9%
Other	5%

TRANSPORTATION IN U.S.	
Rented Auto	83%
Airlines in U.S.	47%
Taxi/Cab/Limousine	35%
City Subway/Tram/Bus	23%
Company or Private Auto	12%
Bus Between Cities	8%
Other	4%

LENGTH OF STAY	
# of Nights In UT (mean)	2.3
# of Nights in US (mean)	17.9

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	33%
Monument Valley	21%
Salt Lake City	20%
Zion N.P.	12%
Glen Canyon	3%

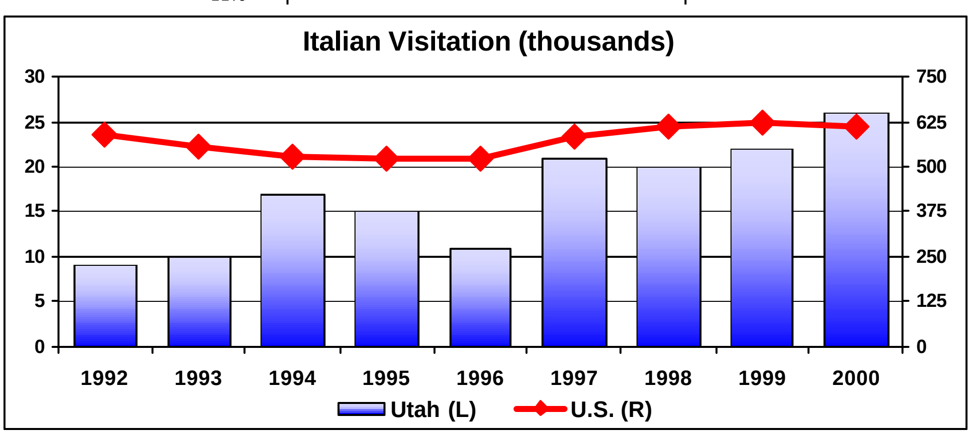
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	92%
Leisure/Rec./Holidays	92%
Visit Friends/Relatives	1%
Business & Convention	8%
Business/Professional	5%
Convention/Conference	2%
Study/Teaching	1%

PORT OF ENTRY	
New York	32%
Los Angeles	20%
San Francisco	8%
Newark	8%
Maimi	8%

LEISURE ACTIVITIES	
Visit National Parks	93%
Shopping	83%
Dining in Restaurants	81%
Sightseeing in Cities	76%
Amusement/Theme Parks	64%
Visit Historic Places	60%
Visit Small Towns	57%
Visit Am. Indian Comm.	54%
Casinos/Gambling	50%
Touring Countryside	33%
Cultural or Heritage Sites	30%
Art Gallery/Museum	29%
Water Sports/Sunbathing	22%
Concert/Play/Musical	20%
Guided Tours	20%
Environ./Eco Excursions	14%
Ethnic Heritage Sites	12%
Camping/Hiking	11%
Nightclubs/Dancing	7%
Golfing/Tennis	5%
Attend Sports Event	4%
Ranch Vacations	4%
Cruises	2%
Hunting/Fishing	--
Snow Skiing	--

PERFORMANCE	
Total Int'l. Visitation (000s)	22
Market Share	3.5%
Avg. Spending Per-Visitor-Per-Day (mean)	$93



SOURCE: OTTI, U.S. Department of Commerce

Scandinavia

ECONOMY. The economies of the Scandinavian countries have performed remarkably well in recent years. Denmark and Sweden both have mature economies that have sustained steady growth with minimal inflation and low unemployment for much of the past five years. Norway's economy is more dependent on natural resources (e.g. oil) and is more cyclical. However, due to an upswing in global oil prices, Norway has avoided much of the global downturn during the past year and boasts both low inflation and low unemployment. Finland, riding the telecommunications and technology gains of the past several years, has grown at a remarkable pace. With a high growth rate, inflation was higher in Finland than elsewhere in the region. Unemployment, while declining, is comparable to France and Germany rather than neighboring countries. Notably, Finland is the only Scandinavian country to be part of the Euro zone. The global downturn in the technology and telecommunications industries has hurt growth throughout the region during 2001 and 2002. However, as the technology and telecommunications industries recover, the region remains well positioned to resume growth. Regional growth is expected to outpace the Euro zone nations in both 2002 and 2003.

EXCHANGE RATE. Of the four countries, the Swedish Krona has declined the most versus the U.S. dollar over the past few years. It has also lagged behind the Euro and other European currencies in appreciating versus the U.S. dollar in 2002. The Danish Krone has closely mirrored the Euro in its movement, having recovered to its January 2001 level in July 2002. Norway's Kroner has remained stronger than any of the other Scandinavian currencies, with strong gains versus the U.S. dollar in 2002.

LANGUAGE RESOURCES. Most travelers from this region who engage in long haul travel are comfortable with English.

TECHNOLOGY APTITUDE. The Scandinavian countries lead the world in both adoption of the Internet and mobile telephone use and are among the world leaders in computers per household. A high concentration of technology businesses combined with high standards of living and low access costs have enabled technology to rapidly assimilate into everyday life throughout the region.

SEASONS & SEGMENTS. Most Scandinavian governments mandate 5-6 weeks of vacation time. Consequently, most travelers enjoy 2-3 weeks of vacation during the summer months and enjoy shorter breaks during the winter and around holidays. The most popular U.S. destinations for the entire region remain New York, Florida and California. However, more travelers are increasingly looking to diversify their U.S. experience with fly-drive vacations that include historic and cultural sites, national parks and other scenic destinations and adventure/sports activities. As vacation patterns evolve towards a more balanced summer and winter vacation, opportunities exist to develop long-haul ski destinations.

HISTORIC VISITATION. With a population of less than half of other European markets like France, Italy and the U.K., Scandinavia boasts a relatively large percentage of U.S. travelers. The region accounted for just over 700,000 visits in 2000, placing it between France and Italy in terms of U.S. arrivals. After declining much of the early 1990s, Scandinavian arrivals grew consistently through the latter half of the decade. Sweden is by far the largest market and is also the fastest growing, accounting for roughly 45% of total U.S. travel. Denmark and Norway each account for approximately 21% of total arrivals and Finland the remaining 17%. Despite the overall growth in the Scandinavian markets, the U.S. has lost share as a long-haul destination, notably to Southeast Asia over the past five years.

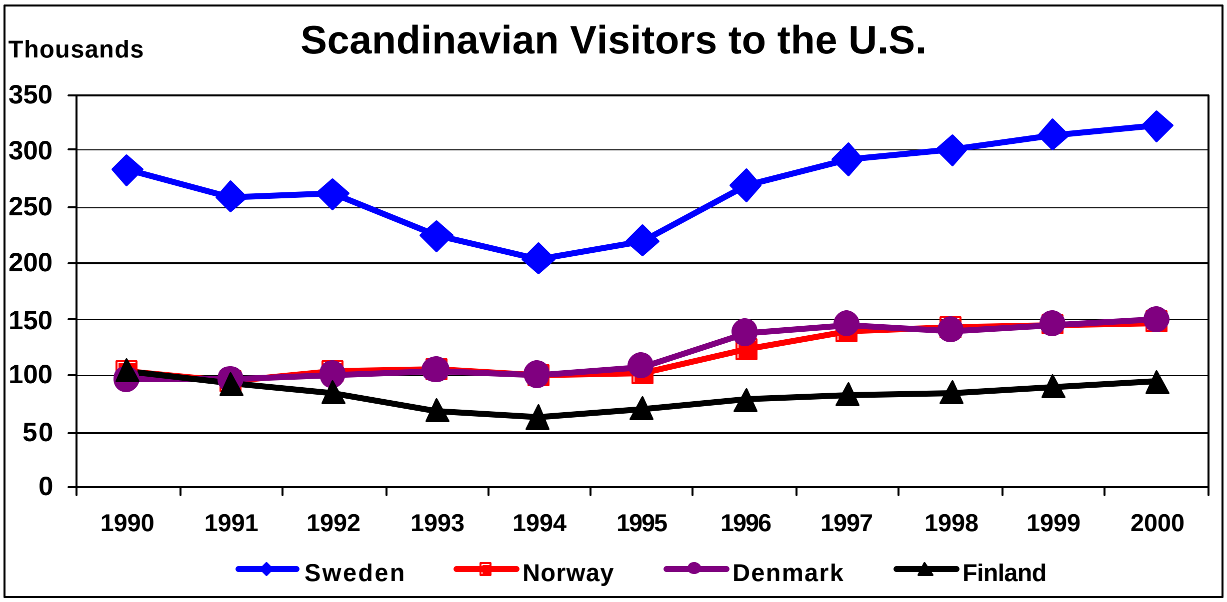
SOCIAL & POLITICAL FACTORS. Because of the small size of the market, increasing the base number of U.S. travelers may be difficult. Consequently, repeat visitors are especially important in the Scandinavian markets. Increasingly, U.S. visitors will pursue destinations in the Midwest, Southwest and Northwest to explore beyond the traditional destinations on the east and west coast.

OLYMPIC INTEREST. The origins of the Winter Olympic Games is in the Nordic Games of Scandinavia. All of the countries in the region maintain a high level of interest in winter sports and have historically performed exceptionally well at the Winter Olympics. The region's performance in Salt Lake City was no different, with Norway, Sweden and Finland accounting for 37 medals. Since 1924, athletes from those same countries have received over 500 medals. Of the region's four countries, only Denmark has failed to medal in an Olympic sport. Not surprisingly, Scandinavian countries led the world in Olympic television viewing. Between 80% and 90% of the population of Norway, Finland and Sweden watched the Olympic Games, accounting for nearly 16 million viewers. Each Norwegian viewer watched nearly 29 hours of Olympic coverage, followed by Finnish and Swedish viewers, who watched 22 hours and almost 17 hours, respectively.

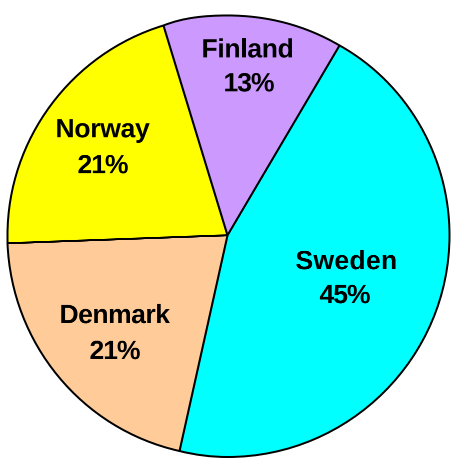
DISTRIBUTION INFRASTRUCTURE. Airports in Sweden and Denmark function as the gateways to nearly all long-haul destinations. Air service directly to the U.S. is limited in Finland and Norway. However, travelers from the region are accustomed to using the regional airports as intermediate stops. More significant is the lack of U.S. destinations served by those flights, which is currently limited to major cities along the east and west coast and Chicago. The Internet is increasingly important as a travel planning tool, although travel agencies and tour operators still provide itineraries and at least air transportation arrangements for most visitors. Most tour operators and travel agencies are relatively small, with affiliations to larger umbrella organizations.

U.S. ARRIVALS FROM SCANDINAVIA

Year	Sweden	Denmark	Norway	Finland	Total
1990	282,163	96,796	103,960	103,411	**586,330**
1991	260,424	95,399	93,691	93,151	**542,665**
1992	261,728	100,353	103,863	83,716	**549,660**
1993	224,281	103,665	106,437	69,116	**503,499**
1994	204,293	101,062	101,094	62,754	**469,203**
1995	219,283	108,003	103,096	70,291	**500,673**
1996	268,975	137,307	124,078	78,841	**609,201**
1997	292,424	144,605	140,446	82,190	**659,665**
1998	300,925	138,689	142,583	85,247	**667,444**
1999	314,258	146,479	145,601	90,622	**696,960**
2000	321,881	149,211	147,540	93,649	**712,281**



ORIGIN OF U.S. ARRIVALS, 2000



SOURCE: OTTI, U.S. Department of Commerce

Switzerland

ECONOMY. After enduring nearly seven years of a mild economic recession in the early 1990s, the Swiss economy is now one of Europe's healthiest. Swiss consumers rank among the world's most affluent. Economic growth has been stable for many years, with income gains outpacing inflation. Unemployment remains among the lowest in Europe. Although the Swiss economy has slowed considerably in 2001 and 2002, it should return to its stable growth in 2003. The country was impacted significantly by disruptions in the global financial markets and by insurance industry woes following September 11th. Although not part of the Euro zone, the country is surrounded by member nations and is greatly influenced by activity among and between member states.

EXCHANGE RATE. A recent referendum permitted the use of the Euro in addition to the Swiss Franc in many parts of the country. While the Swiss Franc remains the country's official currency, the widespread use of the Euro will play an increasing role in the country's currency exchange. Notably, however, the Swiss Franc has outperformed the Euro. This makes international travel for the Swiss in the rest of Europe and the U.S. more attractive and a better relative value. As the Euro approaches parity with the U.S. dollar, the Swiss franc should also appreciate, thus further stimulating demand for international travel.

LANGUAGE RESOURCES. Because Switzerland operates as a hub of international activity for both governments (U.N.) and business (banking), most Swiss are familiar and comfortable with English. In addition, because nearly four languages are spoken regularly in the country, consumers are flexible and adapt easily to different languages.

TECHNOLOGY APTITUDE. Switzerland is among Europe's leaders for adoption of the Internet, trailing just the Scandinavian markets. Switzerland also boasts a very large percentage of its population with a home computer. Swiss consumers quickly adopt new technologies and are proficient in their use.

SEASONS & SEGMENTS. Most Swiss are independent travelers, preferring to set their own itineraries, although they may reference a travel agent for information and airfare packages. Most travel takes place during the summer months to destinations along the East coast and California. Shopping remains the top attraction for most Swiss travelers. However, because Switzerland is a mature market, most travelers are repeat visitors. Destinations off the beaten path that offer access to American culture, including music, food, and adventure may become more popular in coming years. Swiss travelers generally expect high service levels and will usually pay a premium to ensure they receive it.

HISTORIC VISITATION. Visitation to the U.S. from Switzerland increased steadily through the early 1990s and has since leveled off at approximately 400,000 per year. However, like other markets, the lure of North Africa and Southeast Asia has captured some of the long-haul market. The strength of the Swiss Franc versus the Euro compared to the declines versus the U.S. dollar has hurt demand in the last few years. Because of the relative affluence of Swiss travelers, exchange rate volatility is less of a factor in this market than elsewhere in Europe.

SOCIAL & POLITICAL FACTORS. Demand for travel to the U.S. was affected by the terrorist attacks on September 11th, although general perceptions about the U.S. are of a safe and convenient destination. Consequently, demand is expected to return quickly. Because of the small size of the Swiss market, large growth in the number of U.S. arrivals should not be expected. Rather, market share gains can be achieved by attracting a larger share of repeat visitors.

OLYMPIC INTEREST. Switzerland has historically performed well at the Winter Olympics, having captured over 100 medals since 1924. In Salt Lake, Swiss athletes medalled 11 times, capturing the attention of the public. Of particular interest were the sledding sports and curling. Besides these events, a world media darling emerged in the performance of Harry Potter look-alike Simon Ammann, who unexpectedly captured gold medals in both individual men's ski jumping events. On average over 6 million Swiss television viewers watched over 10 hours of Olympic coverage.

DISTRIBUTION INFRASTRUCTURE. Air transportation is readily available from Switzerland to the U.S. via several U.S. carriers and Swiss Air. In addition, many European airlines offer U.S. connections through hubs in London, Amsterdam, Frankfurt and Paris. Delta's affiliation with Swiss Air has prompted periodic investigation of Salt Lake City as a possible route expansion. However, with airline cutbacks following September 11th and the restructuring of a bankrupt Swiss Air, expansion into long-haul routes seems unlikely.

Spain

ECONOMY. The integration of the Spanish economy with the other economies of Europe has stimulated rapid growth in the country. GDP has outpaced most of the rest of the Euro area as Spain has been playing "catch up" with its more developed neighbors. The quick pace of economic growth has fueled higher inflation than elsewhere in Europe, which has placed pressure on incomes. Although improving, Spain continues to report one of the highest unemployment rates in Europe. As further reforms are integrated into the economy, Spain should continue to converge towards other well-developed European economies. Such convergence should engender future growth in output and incomes while simultaneously reducing unemployment and stabilizing inflation. Of some concern is the effect enlargement of the European Union into Eastern Europe would have on the subsidies currently directed towards Spain. With enlargement, much of the money currently targeted at Spain would be redirected towards the poorer and less developed economies of Eastern Europe.

EXCHANGE RATE. Transition to the Euro has been relatively uneventful. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. Many of the long haul travelers from Spain are fluent in English as a result of business activities. However, for those not comfortable with English, information and promotional materials to most destinations are available in Spanish.

TECHNOLOGY APTITUDE. The adaptation of Spanish consumers to the Internet, mobile phones and other technology devices lags other parts of Europe. Cost has been the primary barrier as relative incomes remain below the European average while access costs are still high.

SEASONS & SEGMENTS. Most Spanish travelers to the U.S. are from the upper classes and are repeat visitors to the U.S. Summer is the most common time to visit the U.S. as Spaniards commonly take advantage of a two-week summer break. The coasts have been the most popular destinations although recent evidence suggests Nevada, Arizona and Colorado are growing in popularity. Spanish travelers are more spontaneous than other European travelers. Most begin planning or making arrangements for overseas travel less than a month in advance.

HISTORIC VISITATION. Spanish arrivals to the U.S have grown steadily throughout the past decade. However, total long-haul visitors have grown even faster, with most of the increase going to destinations in the Caribbean and Latin America, North Africa, and Southeast Asia. The United States remains the preferred long haul destination, although competition from other destinations is intensifying. Approximately 300,000 visitors arrive to the U.S. from Spain each year.

SOCIAL & POLITICAL FACTORS. Over the past several years, Basque separatists have perpetrated several incidents involving terrorist activity. As a result, Spanish consumers, much like British consumers, recovered relatively quickly from the events of September 11th, at least from a psychological perspective. The ability of the political and business infrastructure to continue to integrate economic reforms and thereby increase incomes and discretionary opportunities will likely be key to growing the Spanish market.

OLYMPIC INTEREST. During the 2002 Winter Olympic Games, an athlete from Spain received the country's first ever Winter Olympic medal. While significant, the fact that the athlete was a German expatriate dampened the enthusiasm. Nevertheless, Spain has a long history of involvement in the Olympic movement and much attention was directed at the Olympics during the tenure of Juan Antonio Samaranch as head of the IOC from 1980 until 2001. Olympic television coverage in Spain was less than elsewhere in Europe, with only 18 million viewers watching on average a single hour of coverage.

DISTRIBUTION INFRASTRUCTURE. Four major U.S. carriers and three Spanish carriers operate direct nonstop flights to seven U.S. cities from either Madrid or Barcelona. However, none of the direct flights are west of the Mississippi. Approximately 25 of Spain's 200 tour operators prominently highlight the U.S. as a major destination in their promotional catalogs and brochures. The top nine travel agents and retailers account for nearly 50% of the distribution outlets.

Belgium

ECONOMY. The Belgian economy has performed well throughout the past decade. Annual GDP growth rates have outperformed most of the other Euro zone nations, although it has lagged the performance of the Netherlands. Strong wage growth has spurred inflation recently, although wage gains have outpaced price increases allowing consumers to enjoy more disposable income. Unemployment has trended down during the past five years and after a small hiccup during the current economic slowdown, that trend should continue. Strong business linkages with the U.S should bolster economic activity in the coming year. Belgian consumers are among Europe's wealthiest travelers.

EXCHANGE RATE. After a strong performance in the early 1990s, the Belgian franc lost much of its gains through the decline in the Euro. Despite the volatility of the Euro, Belgian consumers have demonstrated more resilience to currency fluctuations than elsewhere in Europe. Nonetheless, exchange rate fluctuations do have an impact on consumer decisions, especially in evaluating competing destinations. Recently, the Euro has risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. Belgium boasts a well-traveled population that is accustomed to international trips. Because of widespread business linkages with the U.S., English is widely spoken, especially among the middle and upper classes. Language should not be considered a barrier to growth in this market.

TECHNOLOGY APTITUDE. Belgium generally follows the consumption patterns of nearby Germany with regard to technology. Despite high incomes, Belgian consumers have not surged ahead in Internet use, home computers or mobile phones. Nonetheless, with an advanced infrastructure and relative wealth, Belgium is considered a quick growth market for technological adaptation.

SEASONS & SEGMENTS. Like other European markets, Belgian travelers enjoy four to five weeks of vacation and typically apportion the time between an extended summer break and a shorter winter holiday. Traditionally, trips to the U.S. have come during the summer months to sun and beach locations. Increasingly, national parks, amusement parks, and cultural and historic destinations are attracting more travelers. There is also a growth potential for U.S. winter destinations as awareness increases, access improves and costs remain competitive. Most Belgian travelers to the U.S. plan their trip with information from a travel agent and customize their trip based on personal preferences. Only one in five trips is a packaged deal. Most prefer to book flight arrangements and then drive to various destinations within the U.S.

HISTORIC VISITATION. The U.S. is the third most popular international vacation choice among Belgian travelers and the most popular long haul destination. The number of arrivals to the U.S. has increased each year over the past decade with the exception of 1998. Total arrivals for 2000 topped 250,000. Despite the strong growth, increasing competition from North Africa and Southeast Asia has captured some of the U.S. market share.

SOCIAL & POLITICAL FACTORS. Although demand declined in the wake of the terrorist attacks of September 11th, Belgian consumers generally regard the U.S. as a safe and convenient destination. Historically, Belgian travelers have proven resilient to economic fluctuations and demand for U.S. travel is anticipated to return quickly. Generally, Belgium is associated with the Netherlands and Luxembourg and referred to as the Benelux countries.

OLYMPIC INTEREST. Although winter sports remain popular in Belgium, no Belgian athlete has ever won an Olympic medal. Television coverage of the Olympics in Belgium was limited, reaching only 6 million people for less than 10 minutes each.

DISTRIBUTION INFRASTRUCTURE. Brussels serves as a European hub for many airlines and six U.S. based and European carriers provide service to the U.S. Travel agents represent an important resource for many traveling abroad although fewer book their trips with agents themselves.

Austria

ECONOMY. The Austrian economy is closely linked with the German economy. Growth was moderate through much of the 1990s although it has slowed recently. Private consumption gains have outpaced inflation for much of the past five years, resulting in increased discretionary income. However, the current economic slowdown combines stagnant wages with still present inflation. Coupled with a weak Euro, purchasing power for most Austrian consumers has declined. On a brighter note, unemployment remains low and continues to decline.

EXCHANGE RATE. Transition to the Euro has been relatively uneventful. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. Language barriers in the Austrian market are similar to the German market, although Austria does not have as experienced a group of international travelers. As a result, the familiarity and comfort level with English is not as strong and Austria is more reliant on travel agents and packaged deals.

TECHNOLOGY APTITUDE. Austria is nearly on par with the U.K. in terms of its adoption of technology. Internet use, the adoption of mobile phones and the placement of computers in many households suggests increasing integration. Access costs remain higher than in other European markets, which may hinder future growth among Austrian consumers.

SEASONS & SEGMENTS. Like many other European markets, the top destinations for Austrian travelers to the U.S are along the east and west coast. The most popular U.S. destinations are New York, Florida (Orlando, Miami), California (San Francisco, Los Angeles, San Diego), National Parks, Nevada and Hawaii. Travel industry representatives have identified potential for adventure trips to Alaska, Washington, Oregon, Colorado, Texas and Louisiana. However, New York, Florida, California and Las Vegas will remain strong attractions for the Austrian traveler. Repeat travelers typically choose destinations like New England, the Carolinas, Tennessee, Georgia and the Great Lakes. Summer travel is the most popular during extended trips of two weeks or more.

HISTORIC VISITATION. Austria is one of the smaller European markets for the U.S. The U.S. is the top long haul destination for Austrian travelers. However, visitation peaked in 1996 and since then, other destinations in North Africa and Southeast Asia have consistently gained market share versus the U.S. Current visitation levels to the U.S. are approximately 175,000 per year.

SOCIAL & POLITICAL FACTORS. Unknown

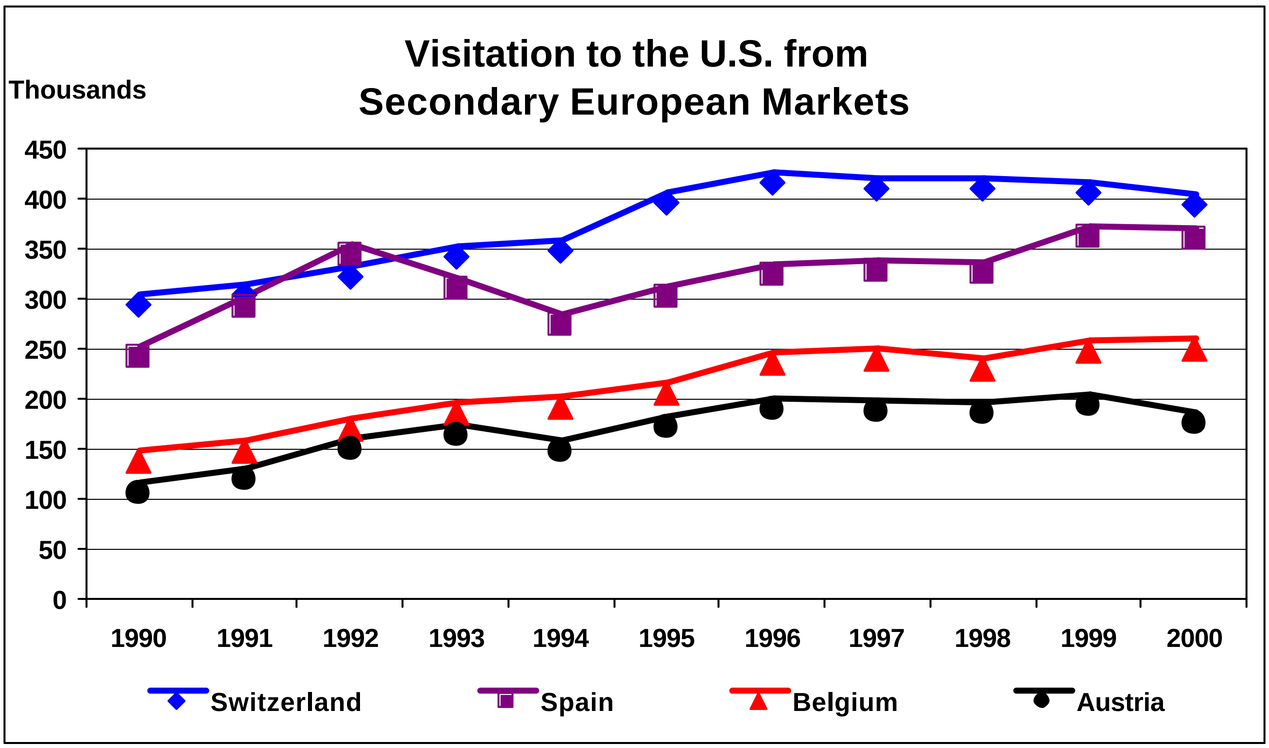
OLYMPIC INTEREST. Austria is a Winter Olympic powerhouse, capturing 161 medals since 1924 including 16 in the 2002 Games in Salt Lake City. Skiing is the national sport and athletes who perform well enjoy public adoration. Television estimates indicate over 6 million Austrians watched an average of more than 10 hours of Olympic coverage. Despite the large audience, attracting a segment of the winter sports segment is unlikely given the well-developed and popular local resorts. Future gains are more likely tied to associating Utah with adventure opportunities during the summer months.

DISTRIBUTION INFRASTRUCTURE. Intense competition between European and U.S. carriers consistently offers attractive prices for trans-Atlantic travel. Although demand has declined in the wake of September 11th, competition among carriers remains and in some ways has intensified. With just over 8 million people, Austria is one of Europe's smallest markets.

HISTORY OF U.S. ARRIVALS
SECONDARY EUROPEAN MARKETS

Year	Switzerland	Spain	Belgium	Austria
1990	294	243	138	107
1991	305	292	149	121
1992	322	344	171	151
1993	342	310	186	164
1994	349	275	192	148
1995	397	302	206	173
1996	417	325	237	190
1997	410	328	241	188
1998	411	326	230	186
1999	406	363	249	194
2000	395	361	250	176

SOURCE: TI/ITA U.S. Dept. of Comerce



SOURCE: OTTI, U.S. Department of Commerce